

108TH CONGRESS
1ST SESSION

S. _____

IN THE SENATE OF THE UNITED STATES

Mr. EDWARDS introduced the following bill; which was read twice and referred
to the Committee on _____

A BILL

To improve homeland security, prevent tax increases, support
education and health care, and strengthen the economy.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Homeland Protection
5 and Tax Hike Prevention Act of 2003”.

6 **SEC. 2. PURPOSES.**

7 The purposes of this Act are—

8 (1) to ameliorate the hardships faced by mil-
9 lions of Americans as a result of State and local
10 budget crises, including tax increases and cuts to

1 education, health care, and other vital State and
2 local programs;

3 (2) to avoid the economic damage that would be
4 caused by tens of billions of dollars in State and
5 local tax increases and spending cuts that would fur-
6 ther weaken the Nation's economic growth and job
7 creation; and

8 (3) to improve the Nation's readiness for a ter-
9 rorist attack by providing financial assistance to as-
10 sist States and cities to—

11 (A) prepare first responders and emer-
12 gency personnel;

13 (B) implement anti-counterfeiting protec-
14 tions;

15 (C) strengthen security at vulnerable tar-
16 gets, such as nuclear power plants and public
17 transportation systems; and

18 (D) address other homeland security prior-
19 ities.

20 **SEC. 3. DEFINITIONS.**

21 As used in this Act, the following definitions shall
22 apply:

23 (1) STATE.—Except as used in section 6, the
24 term “State” means each of the several States of

1 the United States, the District of Columbia, and the
2 Commonwealth of Puerto Rico.

3 (2) METROPOLITAN STATISTICAL AREA.—The
4 term “metropolitan statistical area” means a statis-
5 tical geographic entity associated with at least 1 ur-
6 banized area that has a population of not less than
7 50,000, as identified by the Office of Management
8 and Budget.

9 (3) METROPOLITAN CITY.—The term “metro-
10 politan city” means—

11 (A) a central city within a metropolitan
12 statistical area; and

13 (B) any other city within a metropolitan
14 statistical area that has a population of not less
15 than 50,000.

16 (4) UNIT OF GENERAL LOCAL GOVERNMENT.—

17 (A) IN GENERAL.—The term “unit of gen-
18 eral local government” means—

19 (i) a county, parish, township, city, or
20 political subdivision of a county, parish,
21 township, or city, that is a unit of general
22 local government as determined by the Sec-
23 retary of Commerce for general statistical
24 purposes; and

1 (ii) the District of Columbia, the
2 Commonwealth of Puerto Rico, and the
3 recognized governing body of an Indian
4 tribe or Alaskan native village that carries
5 out substantial governmental duties and
6 powers.

7 (B) TREATMENT OF SUBSUMED AREAS.—
8 For purposes of determining a unit of general
9 local government under this section, the rules
10 under section 6720(c) of title 31, United States
11 Code, shall apply.

12 **SEC. 4. HOMELAND SECURITY GRANTS.**

13 (a) GRANTS AUTHORIZED.—

14 (1) IN GENERAL.—From the amount appro-
15 priated under subsection (d), the Secretary of
16 Homeland Security (referred to in this section as the
17 “Secretary”) shall, as soon as practicable after the
18 date of enactment of this Act, award grants to
19 States and metropolitan cities, which have submitted
20 an application in accordance with subsection (c) to
21 accomplish the objectives described under subsection
22 (b).

23 (2) ALLOCATIONS TO STATES.—

24 (A) POPULATION-BASED ALLOCATIONS.—

25 The Secretary shall allocate \$2,500,000,000 for

1 grants to the States based on the relative popu-
2 lation of each State.

3 (B) RISK-BASED ALLOCATIONS.—Subject
4 to paragraph (4), the Secretary shall allocate
5 \$2,500,000,000 for grants to the States based
6 on—

7 (i) the potential risk, as it pertains to
8 chemical security, of each State;

9 (ii) the proximity of each State to the
10 nearest operating nuclear power plant;

11 (iii) the proximity of each State to the
12 nearest United States land or water port;

13 (iv) the proximity of each State to the
14 nearest international border; and

15 (v) the proximity of each State to the
16 nearest Disaster Medical Assistance Team.

17 (3) ALLOCATIONS TO METROPOLITAN CITIES.—

18 (A) POPULATION-BASED ALLOCATIONS.—

19 The Secretary shall allocate \$2,500,000,000 for
20 grants to units of general local government
21 within metropolitan cities based on the relative
22 population of each metropolitan statistical area.

23 (B) RISK-BASED ALLOCATIONS.—The Sec-
24 retary shall allocate \$2,500,000,000 for grants

1 to metropolitan cities within metropolitan sta-
2 tistical areas based on—

3 (i) the potential risk, as it pertains to
4 chemical security, of each metropolitan sta-
5 tistical area;

6 (ii) the proximity of each metropolitan
7 statistical area to the nearest operating
8 nuclear power plant;

9 (iii) the proximity of each metropoli-
10 tan statistical area to the nearest United
11 States land or water port;

12 (iv) the proximity of each metropoli-
13 tan statistical area to the nearest inter-
14 national border; and

15 (v) the proximity of each metropolitan
16 statistical area to the nearest Disaster
17 Medical Assistance Team.

18 (C) METROPOLITAN CITIES.—The Sec-
19 retary shall distribute the allocations under sub-
20 paragraphs (A) and (B) to metropolitan cities
21 based on the relative population of each such
22 city.

23 (4) CLARIFICATION OF RISK FACTORS.—In allo-
24 cating funds to States and metropolitan statistical
25 areas under paragraphs (2)(B) and (3)(B), the Sec-

1 retary shall equally weigh each of the following risk
2 factors:

3 (A) POTENTIAL RISK AS IT PERTAINS TO
4 CHEMICAL SECURITY.—If a State or metropoli-
5 tan statistical area is within the vulnerable zone
6 of a worst-case chemical release, as specified in
7 the most recent risk management plans filed
8 with the Environmental Protection Agency or
9 another instrument developed by the Environ-
10 mental Protection Agency or the Homeland Se-
11 curity Department that captures the same in-
12 formation for the same facilities, the ratio
13 under paragraphs (2)(B)(i) and (3)(B)(i) shall
14 be 1 divided by the total number of States or
15 metropolitan statistical areas that are within
16 such a zone.

17 (B) PROXIMITY AS IT PERTAINS TO NU-
18 CLEAR SECURITY.—If a State or metropolitan
19 statistical area is located within 50 miles of an
20 operating nuclear power plant, as identified by
21 the Nuclear Regulatory Commission, the ratio
22 under paragraphs (2)(B)(ii) and (3)(B)(ii) shall
23 be 1 divided by the total number of States or
24 metropolitan statistical areas that are located

1 within 50 miles of an operating nuclear power
2 plant.

3 (C) PROXIMITY AS IT PERTAINS TO PORT
4 SECURITY.—If a State or metropolitan statis-
5 tical area is located within 50 miles of 1 of the
6 100 largest United States ports, as stated by
7 the Department of Transportation, Bureau of
8 Transportation Statistics, United States Port
9 Report by All Land Modes, or within 50 miles
10 of one of the 30 largest United States water
11 ports by metric tons and value, as stated by the
12 Department of Transportation, Maritime Ad-
13 ministration, United States Foreign Waterborne
14 Transportation Statistics, the ratio under para-
15 graphs (2)(B)(iii) and (3)(B)(iii) shall be 1 di-
16 vided by the total number of States or metro-
17 politan statistical areas that are located within
18 50 miles of a United States land or water port.

19 (D) PROXIMITY TO INTERNATIONAL BOR-
20 DERS.—If a State or metropolitan statistical
21 area is located within 50 miles of an inter-
22 national border, the ratio under paragraph
23 (2)(B)(iv) and (3)(B)(iv) shall be 1 divided by
24 the total number of States or metropolitan sta-

1 tistical areas that are located within 50 miles of
2 an international border.

3 (E) PROXIMITY TO DISASTER MEDICAL AS-
4 SISTANCE TEAMS.—If a State or metropolitan
5 statistical area is located within 50 miles of a
6 Disaster Medical Assistance Team, as organized
7 by the National Disaster Medical System
8 through the Department of Public Health, the
9 ratio under paragraphs (2)(B)(v) and (3)(B)(v)
10 shall be 1 divided by the total number of States
11 or metropolitan statistical areas that are lo-
12 cated within 50 miles of a Disaster Medical As-
13 sistance Team.

14 (b) USE OF FUNDS.—Grants awarded pursuant to
15 subsection (a) may be used to—

16 (1) support police, fire, health, and other emer-
17 gency personnel by—

18 (A) purchasing or upgrading communica-
19 tions systems, protective gear, or hazardous
20 materials detection equipment;

21 (B) providing training for emergency re-
22 sponses; and

23 (C) providing for expenses related to reten-
24 tion of personnel and overtime;

1 (2) improve safeguards against the counter-
2 feiting of official State documents, including—

3 (A) the improvement of procedures to ob-
4 tain proof of identity before issuance of official
5 identification cards; and

6 (B) the implementation of biometric identi-
7 fiers and holograms;

8 (3) improve security at chemical plants by—

9 (A) strengthening requirements for perim-
10 eter security and assisting in meeting such re-
11 quirements; and

12 (B) strengthening requirements for the use
13 and handling of hazardous materials and assist-
14 ing in meeting such requirements;

15 (4) improve security in train and subway cars
16 and stations, on bridges, in tunnels, and in arenas
17 by installing and improving—

18 (A) fire and blast protections;

19 (B) ventilation systems;

20 (C) entrance security;

21 (D) sensors to detect chemical and biologi-
22 cal weapons; and

23 (E) emergency evacuation systems;

24 (5) improve security at and around skyscrapers,
25 public monuments, and other major buildings;

- 1 (6) secure food and water supplies, reservoirs,
2 water treatment plants, and distribution systems;
- 3 (7) strengthen protections of other critical net-
4 works, including—
 - 5 (A) telecommunications;
 - 6 (B) electrical power plants and grids; and
 - 7 (C) computer networks and databases;
- 8 (8) plan and prepare for a response for chem-
9 ical or biological attacks, including—
 - 10 (A) purchasing, distributing, and storing
11 treatments and preventive measures;
 - 12 (B) providing emergency training for
13 health officials; and
 - 14 (C) developing public health surveillance
15 systems to identify the disease outbreaks by
16 monitoring ambulance calls, hospital admit-
17 tance, and other measures;
- 18 (9) establish systems to notify members of the
19 public and appropriate agencies when a threat has
20 emerged and any precautions the public should take;
- 21 (10) establish programs that offer opportunities
22 for members of the community to participate in ter-
23 rorism preparation and prevention, including neigh-
24 borhood watch groups; and

1 (11) design, review, and improve disaster re-
2 response systems, enhancing communities' ability to
3 coordinate efforts and share information, and devise
4 and implement a homeland security plan.

5 (c) APPLICATION.—

6 (1) IN GENERAL.—Each eligible entity desiring
7 a grant under this section shall submit an applica-
8 tion to the Secretary at such time, in such manner,
9 and accompanied by such information as the Sec-
10 retary may reasonably require.

11 (2) CONTENTS.—Each application submitted
12 pursuant to paragraph (1) shall—

13 (A) describe the activities for which assist-
14 ance under this section is sought; and

15 (B) provide such additional assurances as
16 the Secretary determines to be necessary to en-
17 sure that the grantee will use the proceeds of
18 the grant in compliance with subsection (b).

19 (d) AUTHORIZATION AND APPROPRIATION.—There
20 are authorized to be appropriated, and are appropriated,
21 \$10,000,000,000 for fiscal year 2003 to carry out this sec-
22 tion, which shall remain available through September 30,
23 2004.

1 **SEC. 5. BUDGET CRISIS RELIEF GRANTS.**

2 (a) GRANTS AUTHORIZED.—From the amount appro-
3 priated under subsection (c) for fiscal year 2003, the Sec-
4 retary of the Treasury (referred to in this section as the
5 “Secretary”) shall, as soon as practicable after the date
6 of enactment of this Act, allocate financial assistance to
7 each of the States as follows:

8 (1) GRANTS TO STATES.—

9 (A) ALLOCATIONS BASED ON POPU-
10 LATION.—The Secretary shall allocate
11 \$7,500,000,000 among the States on the basis
12 of the relative population of each State, as de-
13 termined by the Secretary on the basis of the
14 most recent satisfactory data.

15 (B) ALLOCATIONS BASED ON UNEMPLOY-
16 MENT.—The Secretary shall allocate
17 \$7,500,000,000 among the States on the basis
18 of the relative number of unemployed individ-
19 uals for calendar year 2002 in each State, as
20 determined by the Secretary on the basis of the
21 most recent satisfactory data.

22 (2) GRANTS TO LOCAL GOVERNMENT.—

23 (A) ALLOCATIONS BASED ON POPU-
24 LATION.—The Secretary shall allocate an addi-
25 tional \$7,500,000,000 among units of general
26 local government within each State on the basis

1 of the relative population of each State and of
2 each such unit within each State, as determined
3 by the Secretary on the basis of the most recent
4 satisfactory data.

5 (B) ALLOCATIONS BASED ON UNEMPLOY-
6 MENT.—The Secretary shall allocate an addi-
7 tional \$7,500,000,000 among units of general
8 local government within each State on the basis
9 of the relative number of unemployed individ-
10 uals for calendar year 2002 in each State and
11 in each such unit within each State, as deter-
12 mined by the Secretary on the basis of the most
13 recent satisfactory data.

14 (b) MAINTENANCE OF EFFORT.—A State or unit of
15 general local government, before receiving the proceeds of
16 a grant under this section, shall certify that such State
17 or unit of general local government—

18 (1) will maintain its expenditures for elemen-
19 tary, secondary, and higher education at a level
20 equal to not less than the level of such expenditures
21 maintained by the State or unit of general local gov-
22 ernment for the fiscal year immediately preceding
23 the fiscal year for which the grant is received; and

1 (2) will not raise the net tuition, after scholar-
2 ships and tuition waivers, at public colleges and uni-
3 versities by more than the inflation rate.

4 (c) AUTHORIZATION AND APPROPRIATION.—There
5 are authorized to be appropriated, and are appropriated,
6 \$30,000,000,000 for fiscal year 2003 to carry out this sec-
7 tion.

8 **SEC 6. TEMPORARY STATE FISCAL RELIEF THROUGH IN-**
9 **CREASE IN MEDICAID FMAP.**

10 (a) DEFINITIONS.—In this section, the following defi-
11 nitions shall apply:

12 (1) FMAP.—The term “FMAP” means the
13 Federal medical assistance percentage, as defined in
14 section 1905(b) of the Social Security Act (42
15 U.S.C. 1396d(b)).

16 (2) STATE.—The term “State” has the mean-
17 ing given such term for purposes of title XIX of the
18 Social Security Act (42 U.S.C. 1396 et seq.).

19 (b) PERMITTING MAINTENANCE OF FISCAL YEAR
20 2002 FMAP FOR LAST 2 CALENDAR QUARTERS OF FIS-
21 CAL YEAR 2003.—Notwithstanding any other provision of
22 law, but subject to subsection (f), if the FMAP determined
23 without regard to this section for a State for fiscal year
24 2003 is less than the FMAP as so determined for fiscal
25 year 2002, the FMAP for the State for fiscal year 2002

1 shall be substituted for the State's FMAP for the third
2 and fourth calendar quarters of fiscal year 2003, before
3 the application of this section.

4 (c) PERMITTING MAINTENANCE OF FISCAL YEAR
5 2003 FMAP FOR FISCAL YEAR 2004.—Notwithstanding
6 any other provision of law, but subject to subsection (f),
7 if the FMAP determined without regard to this section
8 for a State for fiscal year 2004 is less than the FMAP
9 as so determined for fiscal year 2003, the FMAP for the
10 State for fiscal year 2003 shall be substituted for the
11 State's FMAP for each calendar quarter of fiscal year
12 2004, before the application of this section.

13 (d) GENERAL 2.45 PERCENTAGE POINTS INCREASE
14 FOR LAST 2 CALENDAR QUARTERS OF FISCAL YEAR 2003
15 AND FISCAL YEAR 2004.—Notwithstanding any other
16 provision of law, but subject to subsections (f) and (g),
17 for each State for the third and fourth calendar quarters
18 of fiscal year 2003 and each calendar quarter of fiscal year
19 2004, the FMAP (taking into account the application of
20 subsections (b) and (c)) shall be increased by 2.45 per-
21 centage points.

22 (e) INCREASE IN CAP ON MEDICAID PAYMENTS TO
23 TERRITORIES.—Notwithstanding any other provision of
24 law, but subject to subsection (g), with respect to the third
25 and fourth calendar quarters of fiscal year 2003 and each

1 calendar quarter of fiscal year 2004, the amounts other-
2 wise determined for Puerto Rico, the Virgin Islands,
3 Guam, the Northern Mariana Islands, and American
4 Samoa under subsections (f) and (g) of section 1108 of
5 the Social Security Act (42 U.S.C. 1308) shall each be
6 increased by an amount equal to 4.90 percent of such
7 amounts.

8 (f) SCOPE OF APPLICATION.—The increases in the
9 FMAP for a State under this section shall apply only for
10 purposes of title XIX of the Social Security Act and shall
11 not apply with respect to—

12 (1) disproportionate share hospital payments
13 described in section 1923 of such Act (42 U.S.C.
14 1396r–4); or

15 (2) payments under title IV or XXI of such Act
16 (42 U.S.C. 601 et seq. and 1397aa et seq.).

17 (g) STATE ELIGIBILITY.—

18 (1) IN GENERAL.—Subject to paragraph (2), a
19 State is eligible for an increase in its FMAP under
20 subsection (d) or an increase in a cap amount under
21 subsection (e) only if the eligibility under its State
22 plan under title XIX of the Social Security Act (in-
23 cluding any waiver under such title or under section
24 1115 of such Act (42 U.S.C. 1315)) is no more re-

1 strictive than the eligibility under such plan (or
2 waiver) as in effect on September 2, 2003.

3 (2) STATE REINSTATEMENT OF ELIGIBILITY
4 PERMITTED.—A State that has restricted eligibility
5 under its State plan under title XIX of the Social
6 Security Act (including any waiver under such title
7 or under section 1115 of such Act (42 U.S.C.
8 1315)) after September 2, 2003, but prior to the
9 date of enactment of this Act is eligible for an in-
10 crease in its FMAP under subsection (d) or an in-
11 crease in a cap amount under subsection (e) in the
12 first calendar quarter (and subsequent calendar
13 quarters) in which the State has reinstated eligibility
14 that is no more restrictive than the eligibility under
15 such plan (or waiver) as in effect on September 2,
16 2003.

17 (3) RULE OF CONSTRUCTION.—Nothing in
18 paragraph (1) or (2) shall be construed as affecting
19 a State's flexibility with respect to benefits offered
20 under the State medicaid program under title XIX
21 of the Social Security Act (42 U.S.C. 1396 et seq.)
22 (including any waiver under such title or under sec-
23 tion 1115 of such Act (42 U.S.C. 1315)).

24 (h) SUNSET DATE.—This section is repealed, effec-
25 tive October 1, 2004.